

PRICE OPTIMIZATION SYSTEM**ABSTRACT**

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A method for determining a preferred set of prices for a plurality of products is provided. Generally, a sales model is created. A cost model is also created. A preferred set of prices for the plurality of products based on the sales model and cost model is then generated.

- 10 An apparatus for computing a preferred set of prices for a plurality of products is provided. An econometric engine for modeling sales as a function of price to create a sales model is provided. A financial model engine for modeling costs to create a cost model is provided. An optimization engine is coupled to the econometric engine and financial model engine to receive input
- 15 from the econometric engine and financial model engine, wherein the optimization engine generates the preferred set of prices.